operates lines in Arizona; (b) Eastern Alabama Railway Company, which operates lines in Alabama; (c) Kyle Railroad Company, which operates lines in Colorado, Kansas, and Nebraska; (d) San Joaquin Valley Railroad Company, which operates lines in California; and (e) SWKR Operating Co., which operates lines in Arizona. ¹

As noted, StatesRail controls Kiamichi and would be in control of ALA upon its becoming a carrier.

Kauri states that: (1) The rail lines to be acquired by ALA will not connect with other rail lines under Kauri's or StatesRail's control or with any railroads within their corporate family; (2) the continuance in control is not part of a series of anticipated transactions that would connect the railroads with each other or any railroad in the corporate family; and (3) the transaction does not involve a Class I railroad. The transaction therefore is exempt from the prior approval requirements of 49 U.S.C. 11323. See 49 CFR 1180.2(d)(2).

Under 49 U.S.C. 10502(g), the Board may not use its exemption authority to relieve a rail carrier of its statutory obligation to protect the interests of its employees. Section 11326(c), however, does not provide for labor protection for transactions under sections 11324 and 11325 that involve only Class III railroad carriers. Because this transaction involves Class III rail carriers only, the Board, under the statute, may not impose labor protective conditions for this transaction.

If the verified notice contains false or misleading information, the exemption is void *ab initio*. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 33439, must be filed with the Surface Transportation Board, Office of the Secretary, Case Control Unit, 1925 K Street, N.W., Washington, DC 20423. In addition, a copy of each pleading must be served on Fritz Kahn, Suite 750 West, 1100 New York Avenue, N.W., Washington, DC 20005–3934.

Decided: August 5, 1997.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams,

Secretary.

[FR Doc. 97–21550 Filed 8–13–97; 8:45 am] BILLING CODE 4915–00–P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board [STB Finance Docket No. 33432]

Paducah & Louisville Railway— Trackage Rights Exemption—CSX Transportation, Inc.

CSX Transportation, Inc. (CSXT) has agreed to grant overhead trackage rights to Paducah & Louisville Railway (P&L) between the P&L/CSXT connection at Madisonville, KY, at or near milepost OOH 275, and the Providence 1 Mine and Diamond J Mine (Mines) located on CSXT's Morganfield Branch, at or near mileposts MB 288.8 and MB 294.1, respectively, a distance of approximately 18.8 miles in Hopkins and Webster Counties, KY.

The transaction is scheduled to be consummated on August 8, 1997.

The purpose of the trackage rights is to allow P&L to handle movements of coal from the Mines to the BRT Terminal for blending and for barge movement beyond to the Gallatin Steam Plant of the Tennessee Valley Authority, and to handle empties via the reverse route under contract PAL-C-0761.

As a condition to this exemption, any employees affected by the trackage rights will be protected by the conditions imposed in *Norfolk and Western Ry. Co.—Trackage Rights—BN*, 354 I.C.C. 605 (1978), as modified in *Mendocino Coast Ry., Inc.—Lease and Operate*, 360 I.C.C. 653 (1980).

This notice is filed under 49 CFR 1180.2(d)(7). If it contains false or misleading information, the exemption is void *ab initio*. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 33432, must be filed with the Surface Transportation Board, Office of the Secretary, Case Control Unit, 1925 K Street, NW., Washington, DC 20423–0001. In addition, a copy of each pleading must be served on (1) J. Thomas Garrett, Esq., Paducah & Louisville Railway, 1500 Kentucky Avenue, Paducah, KY 42003, and (2) Fred R. Birkholz, Esq., CSX Transportation, Inc., 500 Water Street, J–150, Jacksonville, FL 32202.

Decided: August 5, 1997.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams,

Secretary.

[FR Doc. 97–21549 Filed 8–13–97; 8:45 am] BILLING CODE 4915–00–P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board [STB Docket No. AB-33 (Sub-No. 113)]

Union Pacific Railroad Company— Discontinuance of Trackage Rights and Abandonment—In Natrona and Converse Counties, WY

On July 25, 1997, Union Pacific Railroad Company (UP) filed with the Surface Transportation Board, Washington, DC 20423, an application for permission for the abandonment of and discontinuance of service on a line of railroad known as the Casper Branch extending from railroad milepost 590.0 to the end of the line at milepost 607.8, near Casper (Air Base), a distance of 17.8 miles, in Natrona County, WY, and for discontinuance of UP's trackage rights over The Burlington Northern and Santa Fe Railway Company trackage from UP milepost 532.5 near Orin to UP milepost 600.0 near Casper, a distance of 67.5 miles in Natrona and Converse Counties, Wyoming. The line includes the non-agency stations of Strouds at milepost 595.0, Casper at milepost 599.7, and Air Base at milepost 607.5 and traverses through United States Postal Service ZIP Codes 82601-82609 and 82633.

The line does contain federally granted rights-of-way. Any documentation in the railroad's possession will be made available promptly to those requesting it. The applicant's entire case for abandonment and discontinuance was filed with the application.

This line of railroad has appeared on the applicant's system diagram map or has been included in its narrative in category 1 since August 1, 1992.

The interest of railroad employees will be protected by the conditions in *Oregon Short Line R. Co.*— *Abandonment—Goshen*, 360 I.C.C. 91 (1979).

Any interested person may file with the Surface Transportation Board written comments concerning the proposed abandonment and discontinuance or protests (including the protestant's entire opposition case), by September 8, 1997. All interested persons should be aware that following any abandonment of rail service and salvage of the line, the line may be suitable for other public use, including interim trail use. Any request for a public use condition under 49 U.S.C. 10905 (§ 1152.28 of the Board's rules) and any request for a trail use condition under 16 U.S.C. 1247(d) (§ 1152.29 of the Board's rules) must be filed by September 8, 1997. Persons who may

¹ See *StatesRail, Inc.—Acquisition of Control Exemption—Kyle Railways, Inc.,* STB Finance Docket No. 33340 (STB served Apr. 17. 1997).